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CATTLE FEEDING SITUATION, OCTOBER 1, 1946.

WASHINGTON, D.C., OCTOBER 11, 1946 - (USDA). BECAUSE OF THE CONFUSION AND UNCERTAINTIES IN THE LIVESTOCK AND MEAT SITUATION EARLY IN OCTOBER AN APPRAISAL OF THE CATTLE FEEDING SITUATION AS OF THAT DATE IS UNUSUALLY DIFFICULT THE BUREAU OF AGRICULTURAL ECONOMICS REPORTED TODAY. THE FACTORS THAT ARE USUALLY MOST IMPORTANT IN DETERMINING THE NUMBER OF CATTLE TO BE FED DURING THE WINTER FEEDING PERIOD POINT TO A SUBSTANTIAL INCREASE IN CATTLE FEEDING OVER A YEAR EARLIER. THESE FACTORS ARE THE MOVEMENT OF STOCKER AND FEEDER CATTLE INTO THE CORN BELT STATES, THE SUPPLY AND PROBABLE PRICE OF FEED GRAINS, ESPECIALLY CORN, PROBABLE MOVEMENT OF FEEDER CATTLE FROM PRODUCING AREAS DURING THE LAST THREE MONTHS OF THE YEAR, AND THE ACTUAL AND RELATIVE PRICES OF FEEDER AND FAT CATTLE.

THE SHIPMENTS OF STOCKER AND FEEDER CATTLE INTO THE 11 CORN BELT STATES DURING THE THREE MONTHS, JULY THROUGH SEPTEMBER, THIS YEAR WERE OF NEAR-RECORD SIZE. THEY WERE 36 PER CENT LARGER THAN IN 1945, AND MUCH LARGER THAN IN ANY OTHER YEAR SINCE 1940. THE NUMBER WAS ABOVE LAST YEAR IN MOSTLY ALL STATES, WITH THE LARGEST INCREASES SHOWN BY IOWA, ILLINOIS, AND MISSOURI. IN ADDITION TO THESE LARGE IN-SHIPMENTS SINCE JULY 1, IN-SHIPMENTS DURING THE FIRST HALF OF THIS YEAR WERE ABOUT EQUAL TO THE RELATIVELY LARGE MOVEMENT DURING THE FIRST HALF OF 1945. ESTIMATES OF THE NUMBER OF CATTLE ON FEED AUGUST 1 INDICATE THAT A MUCH SMALLER THAN USUAL PROPORTION OF THE CATTLE SHIPPED IN THIS YEAR WERE PUT ON FEED BEFORE AUGUST 1. HENCE A RELATIVELY LARGE PART OF THESE IN-SHIPMENTS WAS AVAILABLE FOR FEEDING THIS FALL AND WINTER.

THE CORN CROP OF 1946 IS THE LARGEST ON RECORD AND THE OATS CROP THE SECOND LARGEST. THE QUALITY OF THIS YEAR'S CROP IS MATERIALLY BETTER THAN THAT OF THE 1945 CROP, WITH A MUCH HIGHER FEEDING VALUE. THE PRICE OF THE NEW CROP IS EXPECTED TO BE SUBSTANTIALLY LOWER THAN THE PRICE OF OLD CORN IN EARLY OCTOBER ALTHOUGH SOMEWHAT HIGHER THAN PRICES IN THE WINTER OF 1945-46.

ABUNDANT MOISTURE IN SEPTEMBER AND EARLY OCTOBER IN THE GREAT PLAINS AREA HAS RESULTED IN EXCELLENT WHEAT PASTURES OVER NEARLY ALL OF THIS AREA FROM NEBRASKA TO TEXAS. A KEEN DEMAND FOR CATTLE TO GRAZE ON THESE PASTURES HAS DEVELOPED AND THE MOVEMENT INTO THIS AREA IS EXPECTED TO BE RELATIVELY LARGE. CATTLE FROM THESE PASTURES USUALLY ARE MARKETED IN VOLUME DURING THE LATE WINTER AND SPRING.

INFORMATION AS TO THE NUMBER OF STOCKER AND FEEDER CATTLE THAT WILL MOVE FROM PRODUCING AREAS DURING THE BALANCE OF THE YEAR IS VERY LIMITED. AVAILABLE RECORDS INDICATE THAT SHIPMENTS OUT OF THE NORTHERN PLAINS AND ROCKY MOUNTAIN STATES IN AUGUST AND SEPTEMBER WERE RELATIVELY LARGE AND MUCH LARGER THAN LAST YEAR. APPARENTLY THE DIRECT MOVEMENT (NOT GOING THROUGH STOCK-YARDS) WAS QUITE LARGE.

REPORTS FROM DIFFERENT STATES ARE THAT THE HIGH COST OF STOCKER AND FEEDER CATTLE IS TENDING TO HOLD BACK MANY FEEDERS WHO CONSIDER THE RISK OF FEEDING CATTLE AT PRESENT PRICES TOO GREAT. FEEDER CATTLE PRICES HAVE STRENGTHENED MATERIALLY SINCE AUGUST AND ARE AT THE HIGHEST LEVEL ON RECORD AND NEARLY \$4.00 PER HUNDRED ABOVE A YEAR AGO. REPORTS FROM THE WESTERN STATES ALSO STATE THAT HIGH FEEDER CATTLE PRICES AND HIGH PRICES FOR HAY AND GRAIN ARE LIKELY TO REDUCE CATTLE FEEDING IN MOST OF THESE STATES.

ANOTHER FACTOR OF SOME IMPORTANCE IN THE CATTLE FEEDING SITUATION THIS YEAR IS THE MARKED EXPANSION IN CATTLE FEEDING OPERATIONS BY CHAIN FOOD STORES HAVING SLAUGHTER FACILITIES AND BY REGULAR MEAT PACKERS, LARGE AND SMALL. THESE OPERATIONS ARE BEING CARRIED ON BOTH BY BUYING AND LEASING LARGE COMMERCIAL FEED LOTS AND OPERATING THEM AND BY HAVING CATTLE FED ON A SPREAD OR GAIN BASIS BY FARMERS AND FEED LOT OPERATORS.

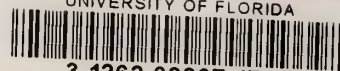
RECORDS OF SHIPMENTS OF STOCKER AND FEEDER CATTLE FROM FOUR LEADING MARKETS FOR THE THREE MONTHS - JULY TO SEPTEMBER - THIS YEAR AND LAST SHOW A DECREASE IN THE NUMBER OF HEAVY FEEDER STEERS (1000 POUNDS AND OVER) AND ABOUT 20 PER CENT INCREASE IN OTHER WEIGHT CLASSES OF STEERS. THERE WAS A MARKED INCREASE OF 80 PER CENT IN SHIPMENTS OF FEEDER CALVES AND OF 70 PER CENT IN COWS AND HEIFERS. TOTAL SHIPMENTS FROM THESE FOUR MARKETS WERE UP OVER ONE-THIRD.

L. M. WYATT,  
LOCAL REPRESENTATIVE.

RELEASED BY  
UNITED STATES DEPARTMENT OF AGRICULTURE  
BUREAU OF AGRICULTURAL ECONOMICS  
WASHINGTON 25, D.C.  
OCTOBER 11, 1946.

STJ. 10/11/46 - 12:30 P.M. (CST).

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